Nonappropriated Fund (NAF) Contracting

Rabbanai T. Morgan

Superintendent, Operational Contracting Division

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NAF Contracting

Overview

- Governing Directives/References
- CCO Involvement in NAF Contracting
- Applicability of FAR, DFARS, AFFARS
- Competition
- NAF Contract Provisions
- NAF Contracting Exercise/Scenario

NAF Contracting

Governing Directives/References

- FAR, DFARS, AFFARS
- AFI 64-301, NAF Contracting
- AFMAN 64-302, NAF Contracting Procedures
- AFI 65-106, Appropriated Fund Support of Morale, Welfare, And Recreation and Nonappropriated Fund Instrumentalities
- AFFARS Appendix CC
  - Activities During Buildup - CC-502-2(d)
  - Attachment CC-1, Deployment Kit Contents
    - AFI 64-301, AFMAN 64-302
    - AF Form 2209, NAF Order for Supplies or Services
    - NAF Contract Formats
    - NAF General Provisions

NAF Contracting

CCO Involvement in NAF Contracting

- AFFARS, Appendix CC-502-2 - Contingency contracting activities during build-up.
  - (d) *Non-appropriated fund (NAF) contracting.* Implement procedures acceptable to the assigned Commander and Chief of Morale, Welfare, Recreation, and Services (MWRS) that address:
    - (1) Formats and forms for NAF contracting. NOTE: The AF Form 2209, Non-appropriated Fund Order for Supplies or Services; AF Form 2210, NAF General Provisions; Reps and Certs, and NAF contract formats are available at the AFNAFPO website at the following address:

      http://www.afnafpo.com/Policy_Proc_Training/Policies.htm

      NOTE: The AF Form 2209 is mandatory for award of NAF contracts that do not obligate appropriated funds (AF).

NAF Contracting

CCO Involvement in NAF Contracting

- AFFARS, Appendix CC-502-2 (d) (continued)
  - (2) Approval/Signature authority for NAF Contracting;
  - (3) Use of cash to make local purchases of supplies and resale merchandise; and
  - (4) Use of BPAs and ***concession contracts***.
  - **AFI 34-262, Paragraph 2.6: "AAFES is the primary source of resale merchandise and services, excluding the Defense Commissary Agency (DeCA) stores," Before a CCO can negotiate and award a concessionaire contract, The services commander must obtain a written agreement from the exchange servicing the AOR, stating AAFES cannot meet the particular requirement. The Naval Exchange (NEX) may claim a similar right regarding concessionaire contracts.**

NAF Contracting

CCO Involvement in NAF Contracting

- AFI 64-301, Paragraph 5 – Coordinate with NAF COs to ensure and effective NAF contracting program.
  - Provide contracting support, technical purchasing assistance, and NAF contract training when requested
  - Purchase NAF requirements not specifically assigned to the AFNAFPO or local NAF contracting officer
  - Include NAF requirements acquisitions for services common to both AF and NAF supported activities when applicable

NAF Contracting

CCO Involvement in NAF Contracting

- Provide purchasing support to Services/MWR
  - Requirement involves NAF and AF (FAR and supplements apply)
  - Services/MWR personnel are not warranted
  - Purchase exceeds warrant authority of NAF CO
    - Delegation of Authority Letter from AFNAFPO (see AFMAN 64-302, Chapter 2)
  - NAF requirement placed against AF indefinite delivery contract
  - Special requests for contracting support/technical advice

NAF Contracting

CCO Involvement in NAF Contracting

- Types of NAF contracts
  - ***BPA (for resale items, etc.)***
  - ***Concessionaire Contract***
  - ***Nonpersonal Services***
  - Construction Services
  - Entertainment Contract
  - Individual Service Contracts (ISCs)
    - Unique skills, experience, knowledge

NAF Contracting

- Applicability of FAR, DFARS, AFFARS:
  - Doesn't apply except as required by AFI 64-301 and AFMAN 64-302. Only clauses required by law or AFMAN 64-302 are applicable. FAR procedures ***may*** be used as a guide in support of NAF purchases.
- Competition Requirements:
  - Not required for resale/rental items
  - Not required up to and including $5,000
  - 2 sources exceeding $5K and including $100K
  - 3 sources exceeding $100K electronically/writing

NAF Contracting

Contract Provisions

- As necessary to:
  - comply with Federal law
  - comply with DoD requirements
  - protect best interest of the NAFI
- Incorporated into NAF contract formats
  - Attach General Provisions
  - Attach Representations and certifications
    - Purchases > $25,000

NAF Contracting

Concessionaire Contract Scenario

120 days into a deployment to a remote base in India, the commander has become concerned about the appearance of the troops. He has asked Services to explore the possibility of establishing an on-post barbershop. Off-post barber shops were placed are off limits due to on premises prostitution, which has contributed to a venereal disease epidemic endangering troop readiness. Services has a nonappropriated funds manager and NAF funds, but he does not have a NAF contracting officer's warrant.

NAF Contracting

Summary

- Governing Directives
- CCO Involvement in NAF Contracting
- Applicability of FAR, DFARS, AFFARS
- Competition
- NAF Contract Forms, Formats, Representations and Certifications, Provisions
- http://www.afnafpo.com/Policy_Proc_Training/Policies.htm